

ORIGINAL
The Morenci Water & Electric Co

401 Burro Alley
P.O. Box 68
Morenci, AZ 85540
Telephone (928) 865-2229
Facsimile (928) 865-5261



0000082711

RECEIVED

57

March 17, 2008

2008 MAR 18 A 10:22

AZ CORP COMMISSION
DOCKET CONTROL

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Re: Purchase Power Fuel Adjuster
Docket: E-01049A-97-0677
Reports for February 2008

Dear Staff:

Please find enclosed forms FA-1, FA-1A, FA-1B, FA-1C, FA-2, FA-3, and Power Purchase Data for the above referenced month.

- Tucson Electric Power in the amount of \$191,364.25
- Tucson Electric Power in the amount of \$272,267.89
- Tucson Electric Power in the amount of \$1,583,907.00
- Phelps Dodge Energy Services in the amount of \$317,316.72
- Phelps Dodge Energy Services in the amount of \$7,508,108.80
- Southwest Transmission Cooperative in the amount of \$137,771.77

Please let me know if you have any questions or comments.

Sincerely,

D. L. True
Superintendent

RB/rb
Enclosures(13 sets)
XC: B. Bozzo, ACC w/encl.
C. Lee, PDC w/encl
J. Anderson, ACC w/encl.
File PPFA 2008

Arizona Corporation Commission
DOCKETED

MAR 18 2008

DOCKETED BY	nr
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THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1
For the Month of February, 2008

Line			
1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$	(351,129)
2A.	JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH	<u>2,311,168</u>
2B.	Total Sales(includes Special Contract Sales, shown for computation of unit cost only)	KWH	<u>154,138,485</u>
2C.	Special Contract Sales not subject to PPFA per Decision No. 60807 dated Apr 8 1998	KWH	<u>151,827,317</u>
3.	ACTUAL COST OF PURCHASED POWER:	\$	<u>9,168,066</u>
4.	UNIT COST OF PURCHASED POWER: (Line 3/Line 2B)	\$/KWH	<u>0.059479</u>
5.	AUTHORIZED BASE COST OF PUR. POWER: Per Decision No.54712 Dated 10/10/85	\$/KWH	<u>0.075220</u>
6.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.61298 Dated 12/98, Updated Decision No. 61705 Dated 5/99	\$/KWH	<u>(0.019000)</u>
7.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.67676 dated 03/05	\$/KWH	<u>0.000000</u>
8.	TOTAL RATE COLLECTED FROM CUSTOMER: (Line 5 + Line 6+ Line 7)	\$/KWH	<u>0.05622</u>
9.	INCREMENTAL DIFFERENCE BETWEEN AUTHORIZED AND ACTUAL RECOVERY: (Line 4 - Line 7)	\$/KWH	<u>0.003259</u>
10.	NET CHANGE TO BANK BALANCE: (Line 2A x Line 8) If Line 4 > Line 7 - Under Collected Balance. If Line 4 < Line 7 - Over Collected Balance, neg.	\$	<u>7,533</u>
11.	ADJUSTMENTS TO BANK BALANCE: From FA-1A	\$	<u>0</u>
12.	PREAPPROVED DSM COSTS: From FA-1B	\$	<u>0</u>
13.	ENDING BANK BALANCE: (Line 1 + Line 9 + Line 10 + Line 11)	\$	<u>(343,596)</u>

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1A
ADJUSTMENTS TO BANK BALANCE DETAIL
For the Month of February, 2008

PLEASE PROVIDE A DETAILED SUMMARY OF THE ADJUSTMENTS THAT THE COMPANY IS CLAIMING THAT AFFECT THE ENDING BALANCE OF THE PURCHASED POWER AND FUEL ADJUSTOR REPORT. EXAMPLES OF ADJUSTMENTS COULD INCLUDE PRIOR PERIOD ADJUSTMENTS FOR BILLING ERRORS OR CORRECTIONS, REFUNDS RECEIVED FROM YOUR SUPPLIER, REFUNDS ORDERED BY THE COMMISSION ETC. ALL ADJUSTMENTS NEED TO BE THOROUGHLY EXPLAINED AND SUPPORTING DOCUMENTATION ATTACHED, IF APPROPRIATE. THE TOTAL OF ALL THE ADJUSTMENTS BEING CLAIMED SHOULD BE ENTERED AT THE BOTTOM OF THIS FORM AND ON FA-1, LINE 10.

ADJUSTMENTS TO BANK BALANCE:
(Transfer amount to FA-1, Line 10.)

\$0.00

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1B
PREAPPROVED DSM COST DETAIL
For the Month of February, 2008

PLEASE PROVIDE A DETAIL LISTING OF THE DSM COSTS CLAIMED ON FA-1, LINE 11. DSM COSTS SHOULD BE LISTED BY PROGRAM, AMOUNT AND PERIOD OF TIME WHEN THE FUNDS WERE ACTUALLY SPENT. THE TOTAL DOLLARS SPENT THIS MONTH ON ALL PROGRAMS SHOULD BE ENTERED ON THE LINE PROVIDED AT THE BOTTOM OF THIS PAGE AND ON FA-1, LINE 11.

PROGRAM NAME	APPLICABLE TIME PERIOD	CUMULATIVE COSTS CLAIMED TO DATE	COSTS CLAIMED THIS MONTH
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NONE

TOTAL DSM COSTS CLAIMED THIS MONTH
(Transfer amount to FA-1, Line 11.)

\$0.00

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1C
For the Month of February, 2008

Supplemental report for Decision No. 61298 dated December 1998

Line

1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$	0
2	JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH	0
3	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No 61298 Dated 12/98	\$/KWH	<u>0.000000</u>
4	NET CHANGE TO BANK BALANCE: (Line 2 x Line 3)	\$	0
5	ENDING BANK BALANCE: (Line 1 + Line 5)	\$	0

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
GENERAL INFORMATION FA-2
For the Month of February, 2008

Line

1. COMPANY NAME: THE MORENCI WATER & ELECTRIC COMPANY
2. MAILING ADDRESS: P.O. BOX 68 - MORENCI, AZ. 85540
3. CONTACT PERSON: DENNIS TRUE
4. CONTACT TELEPHONE NUMBER: (928) 865-6219

GENERATION

5.	GAS GENERATION	(\$)		
6.	OIL GENERATION	(\$)		
7.	COAL GENERATION	(\$)		
8.	OTHER GENERATION (Identify)	(\$)		
	TOTAL GENERATION COSTS	(\$)	A.	0

PURCHASED POWER

9.	BASE METER CHARGE	(\$)		
10.	DEMAND CHARGE	(\$)		
11.	ENERGY CHARGE	(\$)		
	TOTAL PURCHASED POWER COSTS (Including Special Contract Per Decision No. 60807)	(\$)	B.	<u>9,168,065.69</u>
12.	TOTAL COST OF GENERATION AND PURCHASED POWER (Total of Lines 8A and 11B)	(\$)		<u>\$9,168,065.69</u>
13.	KWH	(KWH)		
	Generated			0
	Purchased Special Contract (Per Decision No 60807)			<u>151,827.317</u>
	Purchased			<u>2,122.707</u>
	TOTAL KWH GENERATED/PURCHASED			<u>153,950.024</u>
14.	COST PER KWH (Line 12/Line 13)	(\$/KWH)		<u>0.059552</u>
15.	UNACCOUNTED FOR KWH'S			
	Line Loss	(KWH)		<u>14,623.056</u>
	Own Use	(KWH)		<u>8.994</u>

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
GENERAL INFORMATION FA-3
For the Month of February, 2008

Line			
1.	<u>SALES (KWH)</u>		
	Residential	<u>1,138,289</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>1,172,879</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>151,827,317</u>	
	TOTAL SALES (KWH)		<u>154,138,485</u>
	(Total KWH Sales SHOULD Agree with number on FA-1, Line #2.)		
2.	<u>SALES (\$)</u>		
	Residential	<u>\$126,322.33</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>\$120,427.80</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>\$9,070,044.56</u>	
	TOTAL SALES (\$)		<u>\$9,316,794.69</u>
3.	<u>NUMBER OF CUSTOMERS **</u>		
	Residential	<u>1,966</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>251</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>1</u>	
	TOTAL CUSTOMERS		<u>2,218</u>

**Use 'Avg' number of customers; Beg # + End # divided by 2.

THE MORENCI WATER & ELECTRIC COMPANY**Miscellaneous Power Purchase Data
Excludes Special Contract Sales
For the Month of February, 2008**

	<u>K.W.H.</u>	<u>Percent</u>	<u>K.W.</u>
Total Sales	154,138,485	91.3%	
Total Own Usage	16,459	0.0%	
Total System Losses	14,623,056	8.7%	
Total Purchased Energy	168,778,000		
System Losses-Rolling annual average		<u>0.88%</u>	
MWE Billed Peak			N/A
MWE Load Factor as Billed		N/A	
*MWE/PDC Coincidental Peak Demand			N/A
*MWE/PDC Coincidental Load Factor		N/A	
*Per Prem Bahl's Calculations 6/17/91			
MWE Actual Peak Per 3 MWE Totalizers			N/A
MWE Actual Load Factor Per 3 MWE Totalizers		N/A	

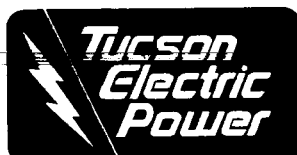


INVOICE

TEP 0311 904

Due Date:

Questions? Call Kevin Battaglia at (520) 745-7170 or
e-mail Kbattaglia@tep.com



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

Invoice Date: **March 4, 2008**
Customer No: **TEP 0311 MWE 904**

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
Month of: February 2008			
Control Area Services:			
Administrative 261,472 kW @ 0.0128 / kW	3,346.84		3,346.84
Reactive Supply & Voltage Control 261,472 kW @ 0.1610 / kW	42,096.99		42,096.99
Regulation & Frequency Response 3,128 kW @ 12.0850 / kW	37,801.88		37,801.88
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 88.74 MWh @ 122.07 / MWh	10,832.37		10,832.37
Positive Imbalance (76.734) MWh @ ##### / MWh		2,268.37	(2,268.37)
Spinning Reserve 1,000 kW @ 12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 1,853 MWh			
Positive Imbalance (1,851) MWh			
Net 2 MWh			
e-mail to: roxanne_boling@fmi.com			
copy to: Phelps Dodge Attn: Choi Lee One North Central Avenue Phoenix, Arizona 85004			
Payments are due the 15th day after invoice receipt			
	Amount Due TEP	\$	103,894.71

Please Wire Transfer Payments to:

Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

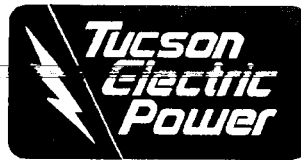
Due Date: March 19, 2008

Payments not received on or before the
Due Date are subject to a late charge.

Checked By: _____

Approved By: _____

Questions? Call Kevin Battaglia at (520) 745-7170 or
e-mail Kbattaglia@tep.com



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

Invoice Date: **February 28, 2008**

Customer No: **TEP 0311 MWE 904**

REVISED TO INCLUDE HACKBERRY

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
Month of: March 2007			
Control Area Services:			
Administrative 222,213 kW @ 0.0128 / kW	2,844.33		2,844.33
Reactive Supply & Voltage Control 222,213 kW @ 0.1610 / kW	35,776.34		35,776.34
Regulation & Frequency Response 2,422 kW @ 12.0850 / kW	29,269.87		29,269.87
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 41.80 MWh @ 100.00 / MWh	4,179.90		4,179.90
Positive Imbalance (142.114) MWh @ 38.05240 / MWh		5,407.78	(5,407.78)
Spinning Reserve 1,000 kW @ 12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW			
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 1,409 MWh			
Positive Imbalance (1,269) MWh			
Net 140 MWh			
Less: Credit for Original Bill Payment		77,458.07	(77,458.07)
copy to:			
Phelps Dodge			
Attn: Choi Lee			
One North Central Avenue			
Phoenix, Arizona 85004			
Payments are due the 15th day after invoice receipt			
	Amount Due TEP	\$	1,289.59



Please Wire Transfer Payments to:

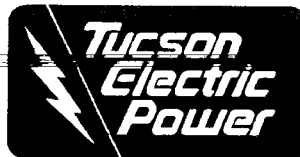
Due Date: March 14, 2008

Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

Payments not received on or before the
Due Date are subject to a late charge.

Questions? Call Kevin Battaglia at (520) 745-7170 or
e-mail Kbattaglia@tep.com

Checked By: 
Approved By: 



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

Invoice Date: **February 28, 2008**

Customer No: **TEP 0311 MWE 904**

REVISED TO INCLUDE HACKBERRY

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
Month of: April 2007			
Control Area Services:			
Administrative 233,328 kW @ 0.0128 / kW	2,986.59		2,986.59
Reactive Supply & Voltage Control 233,328 kW @ 0.1610 / kW	37,565.74		37,565.74
Regulation & Frequency Response 2,793 kW @ 12.0850 / kW	33,753.41		33,753.41
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 15.16 MWh @ 103.89 / MWh	1,575.43		1,575.43
Positive Imbalance (50.755) MWh @ 40.77790 / MWh		2,069.70	(2,069.70)
Spinning Reserve 1,000 kW @ 12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 1,559 MWh			
Positive Imbalance (1,252) MWh			
Net 307 MWh			
Less: Credit for Original Bill Payment		84,954.03	(84,954.03)
 copy to: Phelps Dodge Attn: Choi Lee One North Central Avenue Phoenix, Arizona 85004			

Payments are due the 15th day after invoice receipt

Amount Due TEP \$ **942.44**

Please Wire Transfer Payments to:

Due Date: **March 14, 2008**

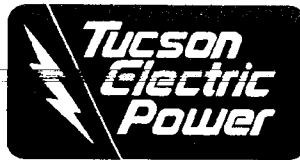
Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

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Due Date are subject to a late charge.

Checked By:

Approved By:

Questions? Call Kevin Battaglia at (520) 745-7170 or
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Tucson, Arizona 85702
520-745-7170
520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

Invoice Date: February 28, 2008

Customer No: TEP 0311 MWE 904

REVISED TO INCLUDE HACKBERRY

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
Month of: May 2007			
Control Area Services:			
Administrative 233,499 kW @ 0.0128 / kW	2,988.79		2,988.79
Reactive Supply & Voltage Control 233,499 kW @ 0.1610 / kW	37,593.39		37,593.39
Regulation & Frequency Response 2,791 kW @ 12.0850 / kW	33,729.24		33,729.24
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 55.94 MWh @ 106.01 / MWh	5,930.63		5,930.63
Positive Imbalance (68.074) MWh @ 71.74690 / MWh		4,884.13	(4,884.13)
Spinning Reserve 1,000 kW @ 12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 1,651 MWh			
Positive Imbalance (1,246) MWh			
Net 405 MWh			
Less: Credit for Original Bill Payment		85,239.29	(85,239.29)
copy to:			
Phelps Dodge Attn: Choi Lee One North Central Avenue Phoenix, Arizona 85004			

Payments are due the 15th day after invoice receipt

Amount Due TEP \$ 2,203.63

Please Wire Transfer Payments to:

Due Date: March 14, 2008

Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

Payments not received on or before the
Due Date are subject to a late charge.

Questions? Call Kevin Battaglia at (520) 745-7170 or
e-mail Kbattaglia@tep.com

Checked By:
Approved By:



P.O. Box 711
Tucson, Arizona 85702
520-745-7170
520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

Invoice Date: **February 28, 2008**
Customer No: **TEP 0311 MWE 904**

REVISED TO INCLUDE HACKBERRY

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
Month of: June 2007			
Control Area Services:			
Administrative 242,332 kW @ 0.0128 / kW	3,101.85		3,101.85
Reactive Supply & Voltage Control 242,332 kW @ 0.1610 / kW	39,015.45		39,015.45
Regulation & Frequency Response 2,911 kW @ 12.0850 / kW	35,179.44		35,179.44
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 52.99 MWh @ 101.39 / MWh	5,373.07		5,373.07
Positive Imbalance (50.715) MWh @ 82.37500 / MWh		4,177.67	(4,177.67)
Spinning Reserve 1,000 kW @ 12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 1,897 MWh			
Positive Imbalance (1,181) MWh			
Net 716 MWh			
Less: Credit for Original Bill Payment		85,693.15	(85,693.15)
copy to:			
Phelps Dodge			
Attn: Choi Lee			
One North Central Avenue			
Phoenix, Arizona 85004			
Payments are due the 15th day after invoice receipt			
	Amount Due TEP	\$	4,883.99



Please Wire Transfer Payments to:

Due Date: March 14, 2008

Tucson Electric Power Company - Corporate
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Account Number 495-0029116

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520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

REVISED TO INCLUDE HACKBERRY

Invoice Date: **February 28, 2008**
Customer No: **TEP 0311 MWE 904**

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
Month of: July 2007			
Control Area Services:			
Administrative 247,865 kW @ 0.0128 / kW	3,172.67		3,172.67
Reactive Supply & Voltage Control 247,865 kW @ 0.1610 / kW	39,906.27		39,906.27
Regulation & Frequency Response 2,931 kW @ 12.0850 / kW	35,421.14		35,421.14
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 25.91 MWh @ 100.00 / MWh	2,590.80		2,590.80
Positive Imbalance (176.008) MWh @ 64.24040 / MWh		11,306.85	(11,306.85)
Spinning Reserve 1,000 kW @ 12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 1,803 MWh			
Positive Imbalance (1,241) MWh			
Net 562 MWh			
Less: Credit for Original Bill Payment			
		79,155.49	(79,155.49)
copy to:			
Phelps Dodge			
Attn: Choi Lee			
One North Central Avenue			
Phoenix, Arizona 85004			
Payments are due the 15th day after invoice receipt			
			Amount Due TEP \$ 2,713.54

Please Wire Transfer Payments to:

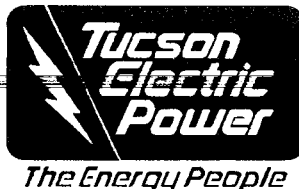
Due Date: March 14, 2008

Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

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Questions? Call Kevin Battaglia at (520) 745-7170 or
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520-745-7170
520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

REVISED TO INCLUDE HACKBERRY

Invoice Date: **February 28, 2008**
Customer No: **TEP 0311 MWE 904**

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
Month of: August 2007			
Control Area Services:			
Administrative 238,749 kW @ 0.0128 / kW	3,055.99		3,055.99
Reactive Supply & Voltage Control 238,749 kW @ 0.1610 / kW	38,438.60		38,438.60
Regulation & Frequency Response 2,797 kW @ 12.0850 / kW	33,801.75		33,801.75
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 46.77 MWh @ 100.00 / MWh	4,676.66		4,676.66
Positive Imbalance (112.930) MWh @ 60.88920 / MWh		6,876.22	(6,876.22)
Spinning Reserve 1,000 kW @ 12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 2,118 MWh			
Positive Imbalance (1,105) MWh			
Net 1,013 MWh			
Less: Credit for Original Bill Payment		79,283.14	(79,283.14)
copy to:			
Phelps Dodge Attn: Choi Lee One North Central Avenue Phoenix, Arizona 85004			
Payments are due the 15th day after invoice receipt			
	Amount Due TEP	\$	5,898.64

Please Wire Transfer Payments to:

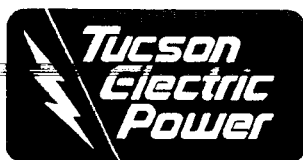
Due Date: March 14, 2008

Tucson Electric Power Company -- Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

Payments not received on or before the
Due Date are subject to a late charge.

Questions? Call Kevin Battaglia at (520) 745-7170 or
e-mail Kbattaglia@tep.com

Checked By: *[Signature]*
Approved By: *[Signature]*



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

Invoice Date: **February 28, 2008**

Customer No: **TEP 0311 MWE 904**

REVISED TO INCLUDE HACKBERRY

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
Month of: September 2007			
Control Area Services:			
Administrative 238,230 kW @ 0.0128 / kW	3,049.34		3,049.34
Reactive Supply & Voltage Control 238,230 kW @ 0.1610 / kW	38,354.98		38,354.98
Regulation & Frequency Response 2,669 kW @ 12.0850 / kW	32,254.87		32,254.87
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 80.28 MWh @ 100.00 / MWh	8,028.41		8,028.41
Positive Imbalance (230.948) MWh @ 57.40980 / MWh		13,258.69	(13,258.69)
Spinning Reserve 1,000 kW @ 12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW			
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 2,005 MWh			
Positive Imbalance (925) MWh			
Net 1,080 MWh			
Less: Credit for Original Bill Payment		73,510.16	(73,510.16)
copy to:			
Phelps Dodge			
Attn: Choi Lee			
One North Central Avenue			
Phoenix, Arizona 85004			
Payments are due the 15th day after invoice receipt			
	Amount Due TEP	\$	7,003.75

Please Wire Transfer Payments to:

Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

Due Date: March 14, 2008

Payments not received on or before the
Due Date are subject to a late charge.

Checked By:

Approved By:

Questions? Call Kevin Battaglia at (520) 745-7170 or
e-mail Kbattaglia@tep.com



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

Invoice Date: **February 28, 2008**

Customer No: **TEP 0311 MWE 904**

REVISED TO INCLUDE HACKBERRY

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
Month of: October 2007			
Control Area Services:			
Administrative 240,030 kW @ 0.0128 / kW	3,072.39		3,072.39
Reactive Supply & Voltage Control 240,030 kW @ 0.1610 / kW	38,644.88		38,644.88
Regulation & Frequency Response 2,864 kW @ 12.0850 / kW	34,611.44		34,611.44
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 45.67 MWh @ 100.00 / MWh	4,566.60		4,566.60
Positive Imbalance (29,245) MWh @ 65.97470 / MWh		1,929.44	(1,929.44)
Spinning Reserve 1,000 kW @ 12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 2,226 MWh			
Positive Imbalance (858) MWh			
Net 1,368 MWh			
Less: Credit for Original Bill Payment		85,965.25	(85,965.25)
copy to:			
Phelps Dodge			
Attn: Choi Lee			
One North Central Avenue			
Phoenix, Arizona 85004			

Payments are due the 15th day after invoice receipt

Amount Due TEP \$ 5,085.62


Please Wire Transfer Payments to:

Due Date: March 14, 2008

Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

Payments not received on or before the
Due Date are subject to a late charge.

Checked By: 

Approved By: 

Questions? Call Kevin Battaglia at (520) 745-7170 or
e-mail Kbattaglia@tep.com



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

Invoice Date: **February 28, 2008**

Customer No: **TEP 0311 MWE 904**

REVISED TO INCLUDE HACKBERRY

Description				Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.						
Month of: November 2007						
Control Area Services:						
Administrative	248,985	kW @	0.0128 / kW	3,187.01		3,187.01
Reactive Supply & Voltage Control	248,985	kW @	0.1610 / kW	40,086.57		40,086.57
Regulation & Frequency Response	2,880	kW @	12.0850 / kW	34,804.80		34,804.80
Energy Imbalance - Outside Bandwidth:						
Negative Imbalance	332.43	MWh @	100.00 / MWh	33,242.99		33,242.99
Positive Imbalance	(9.791)	MWh @	39.59820 / MWh		387.70	(387.70)
Spinning Reserve	1,000	kW @	12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin	0	kW @	1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:						
Negative Imbalance	3,926	MWh				
Positive Imbalance	(373)	MWh				
Net	3,553	MWh				
Less: Credit for Original Bill Payment					87,282.56	(87,282.56)
e-mail to: roxanne_boling@fmi.com						
copy to: Phelps Dodge Attn: Choi Lee One North Central Avenue Phoenix, Arizona 85004						

Payments are due the 15th day after invoice receipt

Amount Due TEP \$ 35,736.11

Please Wire Transfer Payments to:

Due Date: March 14, 2008

Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

Payments not received on or before the
Due Date are subject to a late charge.

Questions? Call Kevin Battaglia at (520) 745-7170 or
e-mail kbattaglia@tep.com

Checked By:

Approved By:



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
520-571-4032

INVOICE

Morenci Water & Electric
Attn: Dennis True
P.O. Box 68
Morenci, AZ 85540

Invoice Date: February 28, 2008

Customer No: TEP 0311 MWE 904

REVISED TO INCLUDE HACKBERRY

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
Month of: December 2007			
Control Area Services:			
Administrative 257,510 kW @ 0.0128 / kW	3,296.13		3,296.13
Reactive Supply & Voltage Control 257,510 kW @ 0.1610 / kW	41,459.11		41,459.11
Regulation & Frequency Response 2,858 kW @ 12.0850 / kW	34,538.93		34,538.93
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 640.67 MWh @ 103.02 / MWh	66,001.75		66,001.75
Positive Imbalance (46,317) MWh @ 30.37930 / MWh		1,407.08	(1,407.08)
Spinning Reserve 1,000 kW @ 12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW			
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 3,531 MWh			
Positive Imbalance (1,117) MWh			
Net 2,414 MWh			
Less: Credit for Original Bill Payment		53,357.97	(53,357.97)
e-mail to: roxanne_boling@fmi.com			
copy to: Phelps Dodge Attn: Choi Lee One North Central Avenue Phoenix, Arizona 85004			
Payments are due the 15th day after invoice receipt			
	Amount Due TEP	\$	102,615.87

Please Wire Transfer Payments to:

Due Date: March 14, 2008

Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 495-0029116

Payments not received on or before the
Due Date are subject to a late charge.

Questions? Call Kevin Battaglia at (520) 745-7170 or
e-mail kbattaglia@tep.com

Checked By:
Approved By:

mostly
Imbalance



Phelps Dodge Energy Services
One North Central Avenue, Phoenix AZ 85004-2306
(602) 366-8100 Voice
(602) 366-7315 Facsimilie

INVOICE

Morenci Water & Electric
P.O. Box 68
66 Fairbanks Road
Morenci, Az. 85540

Invoice Date: March 4, 2008

Description	Charges	Credits	Amount
Services Provided to MW&E pursuant to : PDES's FERC Electric Tariff, First Revised Volume No. 1, Third Revised Sheet Nos. 1-2 MWH \$/kWh 69,587 0.004560	\$ 317,316.72		\$ 317,316.72
Current Charges			\$ 317,316.72

Due Date: March 19, 2008

Wire Transfer:

Bank of America
Dallas, Texas
ABA # 111-000-012
Account # 3752029501
Phelps Dodge Energy Services



Phelps Dodge Energy Services
One North Central Avenue, Phoenix AZ 85004-2306
(602) 366-8100 Voice
(602) 366-7315 Facsimilie

INVOICE

Morenci Water & Electric
P.O. Box 68
66 Fairbanks Road
Morenci, Az. 85540

Invoice Date:

March 4, 2008

Description	Charges		Credits	Amount
Energy Purchased by MW&E pursuant to : PDES's FERC Electric Tariff, First Revised Volume No. 1, Second Revised Sheet Nos.1-3				
MWH 144,909	\$ 7,508,108.80	\$ 0.05181		\$ 7,508,108.80
LEF 75,322	\$ 5,267,407.40	\$ 0.06993		
PWCC 69,587	\$ 2,240,701.40	\$ 0.03220		
Current Charges				\$ 7,508,108.80

Due Date:

March 19, 2008

Wire Transfer:

Bank of America
Dallas, Texas
ABA # 111-000-012
Account # 3752029501
Phelps Dodge Energy Services



Southwest
Transmission

COOPERATIVE, INC.

REC'D MAR 11 2008

P.O. BOX 2195 • BENSON, ARIZONA 85602 • (520) 585-5599 • swtransco.coop

INVOICE

TO: The Morenci Water and Electric Company
Post Office Box 68
4521 U. S. Highway 191
Morenci, Arizona 85540

ATTN: Dennis True, Authorized Contract Representative

DATE: March 5, 2008

February, 2008

Firm Transmission Service	\$68,460.00
Ancillary Services Schedule 1	\$5,780.00
Ancillary Services Schedule 2	\$1,880.00
Non-Firm Transmission Service	\$17,115.00
Ancillary Services Schedule 1	\$2,890.00
Ancillary Services Schedule 2	\$940.00
Transmission Losses (February 08)	\$ 4,039.86
Transmission Losses (April 07- January 08) *see Attached	\$ 36,666.91
TOTAL AMOUNT DUE TO SOUTHWEST TRANSMISSION COOP., INC.	\$137,771.77

Bills are due and payable at the Southwest Transmission Cooperative Inc. office 20 days after receipt of the invoice.

PLEASE REMIT TO: SOUTHWEST TRANSMISSION COOPERATIVE, INC.
C/O BLANCHE MCCUNE-FINANCIAL SERVICES
P.O. BOX 2195
BENSON, AZ 85602-2195

The Morenci Water and Electric Company
Post Office Box 66
4521 U. S. Highway 191
Morenci, Arizona 85540

BILLING PERIOD: February, 2008

DATE: March 5, 2008

DATE DUE: 20 Days after receipt

DESCRIPTION				CREDITS	CHARGES
FIRM TRANSMISSION SERVICE:					
Reserved Capacity (20,000 kW)	20,000	kW @	\$3.42300 /kW		\$68,460.00
Ancillary Services:					
Schedule 1 - Scheduling, Sys Control & Dispatch	20,000	kW @	\$0.28900 /kW		\$5,780.00
Schedule 2 - Reactive Supply & Voltage Control	20,000	kW @	\$0.09400 /kW		\$1,880.00
Hourly Firm-On Peak	0	kWh @	\$0.00823 /kWh		\$0.00
Ancillary Services:					
Schedule 1 - Scheduling, Sys Control & Dispatch	0	kWh @	\$0.00069 /kWh		\$0.00
Schedule 2 - Reactive Supply & Voltage Control	0	kWh @	\$0.00023 /kWh		\$0.00
Hourly Firm-Off Peak	0	kWh @	\$0.00469 /kWh		\$0.00
Ancillary Services:					
Schedule 1 - Scheduling, Sys Control & Dispatch	0	kWh @	\$0.00040 /kWh		\$0.00
Schedule 2 - Reactive Supply & Voltage Control	0	kWh @	\$0.00013 /kWh		\$0.00
SUBTOTAL FIRM TRANSMISSION					\$76,120.00
NON-FIRM TRANSMISSION SERVICE: Rate includes 50% discount					
Reserved Capacity (25,000 kW)	10,000	kW @	\$1.71150 /kW		\$17,115.00
Ancillary Services:					
Schedule 1 - Scheduling, Sys Control & Dispatch	10,000	kW @	\$0.28900 /kW		\$2,890.00
Schedule 2 - Reactive Supply & Voltage Control	10,000	kW @	\$0.09400 /kW		\$940.00
Hourly NonFirm-On Peak	0	kW @	\$0.00412 /kW		\$0.00
Ancillary Services:					
Schedule 1 - Scheduling, Sys Control & Dispatch	0	kW @	\$0.00069 /kW		\$0.00
Schedule 2 - Reactive Supply & Voltage Control	0	kW @	\$0.00023 /kW		\$0.00
Hourly NonFirm-Off Peak	0	kW @	\$0.00235 /kW		\$0.00
Ancillary Services:					
Schedule 1 - Scheduling, Sys Control & Dispatch	0	kW @	\$0.00040 /kW		\$0.00
Schedule 2 - Reactive Supply & Voltage Control	0	kW @	\$0.00013 /kW		\$0.00
SUBTOTAL NON-FIRM TRANSMISSION					\$20,945.00
SUBTOTAL					\$97,065.00
TOTAL AMOUNT DUE SWTC					\$97,065.00

The Morenci Water and Electric Company
Post Office Box 66
4521 U. S. Highway 191
Morenci, Arizona 85540

DATE: March 5, 2008

DATE DUE: 20 Days after receipt

DESCRIPTION	CREDITS	CHARGES
LOSSES FOR TRANSMISSION		
Total kWh Wheeled by SWTC for MWE-Morenci		
2,701,000 kWh		
* LOSS ADJUSTMENT (XXXXX kWh * .0297 loss rate)*		
80,220 kWh @ \$0.05036 /kWh		\$ 4,039.86
kWh * by Average cost of Energy for Month		
Average Cost supplied by MWE		
TOTAL AMOUNT PAYABLE TO SWTC		\$ 4,039.86

Month	Average				Monthly Cost of Losses
	Total Wheeling (MW)	Firm Wheeling (MW)	Non-Firm Wheeling (MW)	Total Losses (MW) Total Losses (kW)	
April	1053	1053	0	31.2741 31274.1	\$ 1,354.48
May	1484	1484	0	44.0748 44074.8	\$ 1,867.72
June	4911	4910	1	145.8567 145856.7	\$ 6,712.26
July	6560	6503	57	194.832 194832	\$ 9,318.49
August	1611	1611	0	47.8467 47846.7	\$ 2,313.69
September	715	715	0	21.2355 21235.5	\$ 853.17
October	2572	2572	0	76.3884 76388.4	\$ 3,277.92
November	3586	3586	0	106.5042 106504.2	\$ 4,813.44
December	1794	1794	0	53.2818 53281.8	\$ 2,536.16
January 08	2232	2222	10	66.2904 66290.4	\$ 3,619.58
Total Cost					\$ 36,666.91